

**STATE RISK MANAGEMENT FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF MARCH 31, 2003**

	March-03					December-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	Market Value	Allocation	Policy	Quarter Net ROR	Month Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Net	Net	Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>																	
<i>Structured Growth</i>																	
AllianceBernstein	73,985	2.8%	2.3%	-0.09%	3.24%	53,956	1.9%	2.3%	2.89%	52,431	1.9%	2.3%	-13.54%	-11.11%	-28.65%	-16.80%	N/A
Russell 1000 Growth				-1.07%	1.86%				7.15%				-15.05%	-9.95%	-26.49%	-16.15%	N/A
<i>Structured Value</i>																	
LSV	55,719	2.1%	2.3%	-5.73%	0.03%	60,515	2.1%	2.3%	6.53%	56,818	2.1%	2.3%	-18.60%	-18.25%	2.41%	5.40%	N/A
Russell 1000 Value				-4.86%	0.17%				9.22%				-18.77%	-15.60%	-8.96%	-2.92%	N/A
<i>S&amp;P 500 Index</i>																	
State Street	277,772	10.4%	10.5%	-3.17%	0.96%	281,869	9.9%	10.5%	8.41%	259,992	9.4%	10.5%	-17.26%	-13.14%	-18.03%	-9.27%	3.58%
S&P 500				-3.15%	0.97%				8.44%				-17.28%	-13.13%	-17.99%	-9.18%	3.67%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>407,476</b>	<b>15.2%</b>	<b>15.0%</b>	<b>-3.02%</b>	<b>1.16%</b>	<b>396,340</b>	<b>13.9%</b>	<b>15.0%</b>	<b>7.34%</b>	<b>369,241</b>	<b>13.4%</b>	<b>15.0%</b>	<b>-16.96%</b>	<b>-13.55%</b>	<b>-16.89%</b>	<b>-8.30%</b>	<b>3.74%</b>
S&P 500				-3.15%	0.97%				8.44%				-17.28%	-13.13%	-17.99%	-9.18%	3.67%
<b>SMALL CAP DOMESTIC EQUITY</b>																	
<i>Manager-of-Managers</i>																	
SEI	129,648	4.8%	5.0%	-4.21%	1.25%	135,346	4.7%	5.0%	4.91%	129,017	4.7%	5.0%	-19.31%	-18.91%	-11.77%	N/A	N/A
Russell 2000 + 200bp				-4.00%	1.46%				6.68%				-20.97%	-19.06%	-7.96%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>129,648</b>	<b>4.8%</b>	<b>5.0%</b>	<b>-4.21%</b>	<b>1.25%</b>	<b>135,346</b>	<b>4.7%</b>	<b>5.0%</b>	<b>4.91%</b>	<b>129,017</b>	<b>4.7%</b>	<b>5.0%</b>	<b>-19.31%</b>	<b>-18.91%</b>	<b>-11.69%</b>	<b>2.22%</b>	<b>4.32%</b>
Russell 2000				-4.49%	1.29%				6.16%				-21.40%	-20.30%	-8.59%	1.67%	4.44%
<b>CONVERTIBLES</b>																	
TCW	292,478	10.9%	10.0%	1.16%	1.40%	289,079	10.1%	10.0%	8.15%	267,292	9.7%	10.0%	-10.05%	-1.60%	-20.37%	-2.22%	N/A
First Boston Convertible Index				3.82%	1.48%				9.83%				-8.47%	4.36%	-12.44%	0.11%	N/A
<b>INTERNATIONAL EQUITY</b>																	
<i>Large Cap - Active</i>																	
Capital Guardian	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-12.10%	-2.96%	2.87%
MSCI EAFE - 50% Hedged				N/A	N/A				N/A				N/A	N/A	-14.62%	-7.32%	-1.89%
<i>Small Cap - Value</i>																	
Lazard	-	0.0%	0.0%	-7.11%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-2.09%	N/A				N/A				N/A	N/A	N/A	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>	<b>N/A</b>	<b>N/A</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>	<b>N/A</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>	<b>N/A</b>	<b>N/A</b>	<b>-12.10%</b>	<b>-2.96%</b>	<b>2.87%</b>
MSCI EAFE - 50% Hedged				N/A	N/A				N/A				N/A	N/A	-14.62%	-7.32%	-1.89%
<b>DOMESTIC FIXED INCOME</b>																	
<i>Core Bond</i>																	
Western Asset	688,174	25.7%	25.0%	2.16%	-0.38%	763,992	26.8%	25.0%	2.96%	733,279	26.6%	25.0%	3.51%	8.87%	8.36%	8.53%	7.80%
Lehman Aggregate				1.39%	-0.08%				1.57%				4.58%	7.70%	8.62%	8.10%	7.57%
<i>Index</i>																	
Bank of ND	378,293	14.1%	15.0%	1.65%	-0.14%	405,275	14.2%	15.0%	1.65%	410,753	14.9%	15.0%	5.96%	9.49%	8.38%	7.79%	7.42%
Bank of ND CD'S	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	5.55%	5.48%
<b>Total Index</b>	<b>378,293</b>	<b>14.1%</b>	<b>15.0%</b>	<b>1.65%</b>	<b>-0.14%</b>	<b>405,275</b>	<b>14.2%</b>	<b>15.0%</b>	<b>1.65%</b>	<b>410,753</b>	<b>14.9%</b>	<b>15.0%</b>	<b>5.96%</b>	<b>9.49%</b>	<b>8.14%</b>	<b>7.66%</b>	<b>7.30%</b>
Lehman Gov/Credit				1.65%	-0.13%				1.73%				5.70%	9.29%	8.24%	7.86%	7.47%
<i>BBB Average Quality</i>																	
Strong	291,479	10.9%	10.0%	3.29%	0.69%	307,316	10.8%	10.0%	4.48%	290,730	10.6%	10.0%	3.08%	11.24%	N/A	N/A	N/A
Lehman US Credit BAA				3.40%	0.54%				4.59%				2.70%	11.06%	N/A	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>1,357,946</b>	<b>50.8%</b>	<b>50.0%</b>	<b>1.63%</b>	<b>-0.09%</b>	<b>1,476,583</b>	<b>51.7%</b>	<b>50.0%</b>	<b>2.89%</b>	<b>1,434,763</b>	<b>52.1%</b>	<b>50.0%</b>	<b>4.11%</b>	<b>8.86%</b>	<b>7.55%</b>	<b>7.88%</b>	<b>7.42%</b>
Lehman Gov/Credit				1.65%	-0.13%				1.73%				5.70%	9.29%	8.24%	7.86%	7.47%
<b>CASH EQUIVALENTS</b>																	
Bank of ND	486,406	18.2%	20.0%	0.35%	0.12%	556,615	19.5%	20.0%	0.41%	554,810	20.1%	20.0%	0.48%	1.25%	2.41%	4.76%	4.99%
90 Day T-Bill				0.30%	0.12%				0.43%				0.45%	1.19%	2.63%	4.68%	4.84%
<b>TOTAL RISK MANAGEMENT FUND</b>	<b>2,673,954</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.74%</b>	<b>0.33%</b>	<b>2,853,964</b>	<b>100.00%</b>	<b>100.00%</b>	<b>3.59%</b>	<b>2,755,122</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-2.34%</b>	<b>1.93%</b>	<b>-2.68%</b>	<b>0.05%</b>	<b>3.24%</b>
<b>POLICY TARGET BENCHMARK</b>				<b>0.56%</b>	<b>0.32%</b>				<b>3.61%</b>				<b>-1.82%</b>	<b>2.30%</b>	<b>0.31%</b>	<b>1.44%</b>	<b>4.45%</b>

NOTE: Monthly returns and market values are preliminary and subject to change.